

TERMS OF REFERENCE

BOARD OF DIRECTORS' NOMINATION AND REMUNERATION COMMITTEE

1 PURPOSE

The Board of Directors' Nomination and Remuneration Committee (the Committee) is constituted as a standing committee of the Board of Directors.

The Committee is authorised by the Board of Directors to act within its Terms of Reference, as set out below, subject to amendments at future meetings of the Board of Directors.

The Committee is authorised by the Board of Directors to obtain such information as it considers necessary for, or expedient to, the exercise and fulfilment of its functions. All members of staff of the Trust are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board of Directors to instruct professional advisors and request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary for, or expedient to, the exercise of its functions.

2 DUTIES/RESPONSIBILITIES

2.1 Nomination

- To regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board of Directors and make recommendations to the Board with regard to any changes.
- To give consideration to and make plans for succession planning for the Chief Executive and other Executive Directors taking into account the challenges and opportunities facing the Trust and the skills and expertise needed at the current time and in the future.
- Be responsible for identifying and nominating for appointment candidates to fill posts within its remit as and when they arise.
- Be responsible for identifying and nominating a candidate, for approval by the Council of Governors, to fill the position of Chief Executive.
- Before an appointment is made, to evaluate the balance of skills, knowledge and experience on the Board of Directors and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall use open advertising or the services of external advisers to facilitate the search; consider candidates from a wide range of backgrounds and consider candidates on merit against objective criteria.

- To consider any matter relating to the continuation in office of any Executive Director at any time including the suspension or termination of service of an individual as an employee of the Trust.
- To consider the engagement or involvement of any suitably qualified third party or advisers to assist with any aspects of the Committee's responsibilities.
- To receive assurance reports on behalf of the Board of Directors in relation to compliance with the requirements set out within the Trust's Fit and Proper Persons Requirement (FPPR) Policy as it relates to appointments to the Board of Directors and annual FPPR checking process.

2.2 Remuneration

- To decide upon and review the terms and conditions of office of the Trust's Executive Directors and those individuals on locally-determined pay in accordance with all relevant Trust policies, including:
 - Salary, including any performance-related pay or bonus
 - Provision for other benefits, including pensions
 - Allowances
 - Compensation commitments entailed by terms of appointment in the event of early termination with the aim of avoiding rewarding poor performance.
- To monitor and evaluate the performance of individual Executive Directors on an annual basis.
- To adhere to all relevant laws, regulations and Trust policy in all respects, including (but not limited to) determining levels of remuneration that are sufficient to attract, retain and motivate Executive Directors whilst remaining cost effective.
- To advise upon and oversee contractual arrangements for Executive Directors, including but not limited to termination payments and agreements. This will also relate to any matter that requires Treasury approval or any matter that may give rise to public concern.
- To determine arrangements for annual salary review for all staff on Trust contracts.
- To ensure, that where remuneration consultants are appointed, a statement is made within the Trust's Annual Report as to whether they have any connection with the Trust.

3. ACCOUNTABLE TO

The Committee is accountable to the Board of Directors.

4. REPORTS TO AND METHOD (INCLUDING MINUTES CIRCULATION)

The minutes of all meetings of the Committee shall be formally recorded and shall be retained by the Assistant Chief Executive, on behalf of the Chair, and shall not be shared with the Executive Directors.

The Committee shall report to the Board of Directors after each meeting of the Committee. In the case of remuneration matters, this report will be restricted to the reporting that decisions have been made by the Committee and that the manner of making them was in accordance with the Committee's terms of reference and delegated powers.

The Committee will make an annual report to the Board of Directors and the Assistant Chief Executive, on behalf of the Chair, shall ensure that the work of the Committee is accurately reported in the Annual Report and Accounts, in accordance with any direction from NHS Improvement.

5. MEMBERSHIP

The Committee shall comprise of all Trust Board Non-Executive Directors, including the Chair of the Board.

The Chair of the Board will chair the Committee and the Vice Chair of the Board will act as Chair of the Committee in the Chair's absence or if the Chair has a conflict of interest.

In attendance

Only members of the Committee have the right to attend Committee meetings. At the invitation of the Committee, meetings shall normally be attended by the Chief Executive, Director of Human Resources and Staff Development and Assistant Chief Executive.

Other persons may be invited by the Committee to attend a meeting so as to assist in deliberations.

Any non-member, including the secretary to the Committee (Assistant Chief Executive), will be asked to leave the meeting should their own conditions of employment be the subject of discussion.

Serviced by

The Committee will be serviced by the Assistant Chief Executive who will also act as the Lead Officer for the Committee.

6. QUORUM

A quorum shall be four members.

At the discretion of the Chair, business may be transacted through a teleconference or videoconference provided that all Board members present are able to hear all other parties and where an Agenda has been issued in advance. Participation in a meeting via electronic means shall constitute presence in person at the meeting.

7. MEETING FREQUENCY AND PROCEDURES (MINIMUM IF APPLICABLE)

Meetings shall be called as required.

Meetings shall be held at least annually and whenever there is a need to consider matters relating to nominations to the Board of Directors.

A meeting of the Committee may be called by the Assistant Chief Executive at the request of the Chair.

8. DATE TERMS OF REFERENCE WERE APPROVED

May 2021

9. REVIEW DATE

May 2022

10. PROCESS FOR REVIEWING EFFECTIVENESS

The effectiveness of the Committee will be monitored on an annual basis via the following:

- Annual review of the Terms of Reference by the Board of Directors
- Annual report to the Board of Directors
- Report of the Committee's work in Annual Report and Accounts in accordance with direction from NHS Improvement.

11. REPORTING STRUCTURE

There are no groups or committee which report to this Committee.